

**AGREEMENT FOR
SUBORDINATION OF MORTGAGE**

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This Agreement is made on the 25 day of January, 2002, by and among the City of Hammond acting by and through the Hammond Redevelopment Commission (the "Existing Mortgagee") and Contour Mortgage (the "New Mortgagee") with an office at 8699 Broadway, Merriville Indiana; and Rodolof and Theresa Lugo, severally (the "Owner"), whose address is 6251 Jackson, Hammond, Indiana 46324.

RECITALS

WHEREAS, Owner is the owner of a certain parcel of land (the property) situated in the County of Lake, State of Indiana, fully described as follows:

Lot 36 and the North 8 1/3 feet of Lot 35, Franklin Addition to the City of Hammond as shown in Plat Book 4, page 16 in the Recorder's Office of Lake County, Indiana.

and

WHEREAS, Owner, by an instrument dated March 21, 1994, granted and conveyed to the Existing Mortgagee, a mortgage encumbering the property (the "Existing Mortgage"), securing the payment of \$20,774.00. The existing mortgage was recorded on the 16th day of April, 4, as Document No. 94028426 in the Office of the Recorder of Lake County, Indiana; and

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H. H.
T.I.

Agreement to Modify Promissory Note

January 25, 2002

On March 21, 1994, Rodolfo and Theresa Lugo signed promissory notes to the City of Hammond for the total sum of \$20,774.

\$20,602 of the loan was deferred pursuant to the terms of the loan agreement.
\$175 was to be repaid at 5.5% interest in 6 monthly installments of \$ 29.13.

The principal balance on the installment note as of 1/25/02 is \$0.00.

On 1/25/ 2002 Rodolfo and Theresa Lugo obtained a line of credit secured by a mortgage from Contour Mortgage in the sum of \$ 40,000 .

On January 22, 2002 the Redevelopment Commission agreed to subordinate its mortgage in priority to the January 25, 2002 mortgage to Contour Mortgage.

In consideration therefore, Rodolfo and Theresa Lugo agree to modify terms of repayment of the deferred note to monthly payments of \$50 at 0% interest until paid in full.

Rodolfo Lugo
Rodolfo Lugo

Theresa N. Lugo
Theresa Lugo

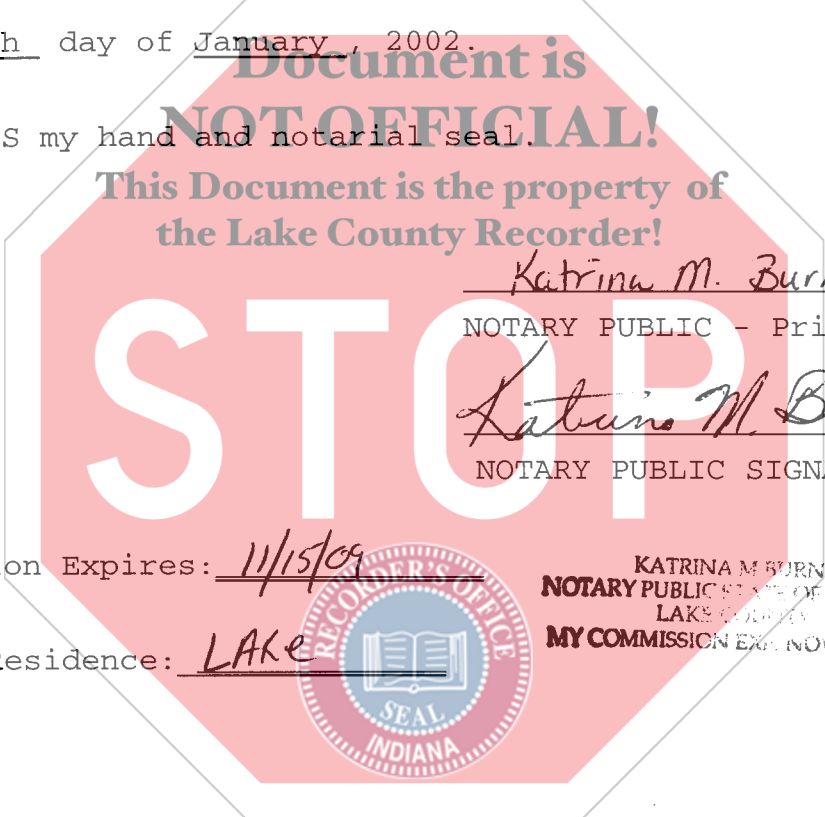


ACKNOWLEDGMENT

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public, in and for said County and State, personally appeared James Davis, Sr. and Margaret Royce Galvin, personally known by me to be the President and Secretary of the Hammond Redevelopment Commission who severally acknowledged that as such President and Secretary they executed the above and foregoing document as their free and voluntary act and as the free and voluntary act and deed of the City of Hammond, Indiana by and through its Hammond Redevelopment Commission for the uses and purposes set forth therein,
on this 25th day of January, 2002.

WITNESS my hand and notarial seal.



Katrina M. Burns
NOTARY PUBLIC - Printed

Katrina M. Burns
NOTARY PUBLIC SIGNATURE

My Commission Expires: 11/15/09

County of Residence: LAKE

KATRINA M BURNS
NOTARY PUBLIC STATE OF INDIANA
LAKE COUNTY
MY COMMISSION EXPIRES NOV. 15, 2009

WHEREAS, Owner, by an instrument dated the 25th day of January 2002, granted and conveyed to the New Mortgagee, a mortgage encumbering the property (the "New Mortgage") securing the payment of \$ 348.45 with interest, New Mortgage was recorded as Document No. _____ in the office of the Recorder of Lake County, Indiana; and

WHEREAS, the parties desire that the lien of the Existing Mortgage shall be postponed in lien and operation to the full amount of the lien and operation of the new mortgage.

NOW, THEREFORE, in consideration of the sum of the balance due on the existing mortgage and other good and valuable considerations, the receipt of which is acknowledged by the Existing Mortgagee, the parties, intending to be legally bound, agree as follows:

1. In the event of any judicial sale of the property, the Existing Mortgage is subordinated and postponed in lien position, payment and/or distribution to the priority lien of the New Mortgage.

2. The subordination of the Existing Mortgage to the lien of the New Mortgage shall have the same force and effect as though the New Mortgage had been executed, delivered and recorded in the recording office prior to the execution, delivery and recording of the existing mortgage.

3. If any proceedings are brought by the Existing Mortgagee or its successors or assigns against the property, including foreclosure proceedings on the Existing Mortgage or to execute upon any judgment on the Note that it secures, the judicial sale in connection with such proceedings shall not discharge the lien of the New Mortgage.

4. This Agreement shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

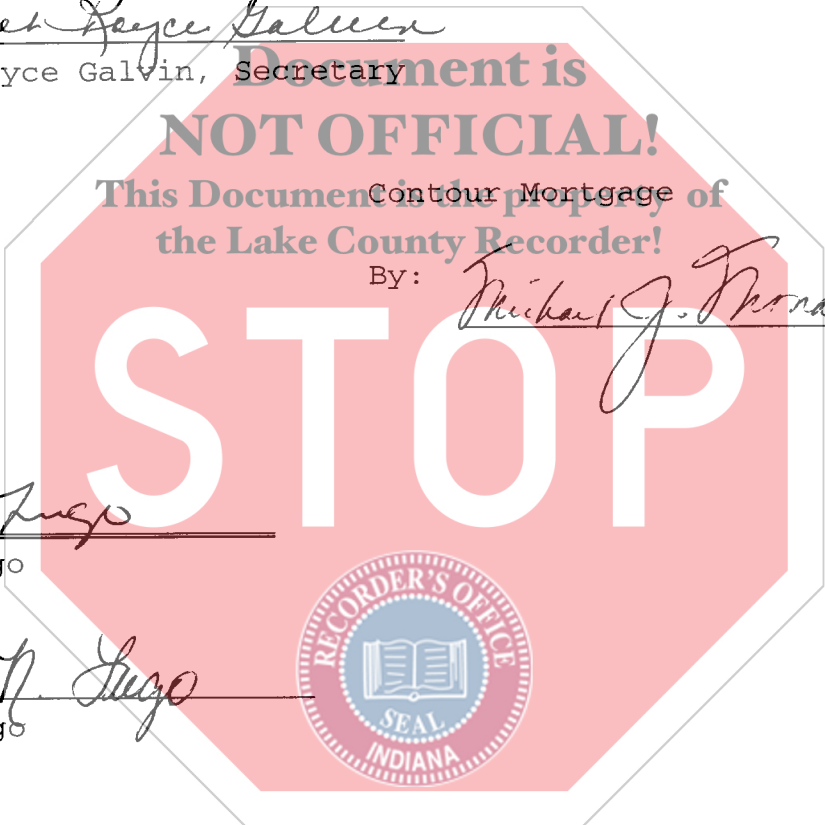
Executed on this 25th day of January 2007 at Hammond, Indiana

CITY OF HAMMOND by and through its
Hammond Redevelopment Commission

By: James Davis Sr.
JAMES DAVIS, SR., President

ATTEST:

Margaret Royce Galvin
Margaret Royce Galvin, Secretary



Attest:

Rodolfo Lugo
Rodolfo Lugo

Theresa N. Lugo
Theresa Lugo